Bill Fox. Arr. Sec. of Agriculture

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My name is Curt Rincker and I am the President of the Illinois Beef Association. This is an organization comprised of over 2000 junior and senior members from predominantly our producer and allied industry sectors. I want to also thank Speaker Hastert, Representative Manzullo, and our USDA representatives. I realize the tremendous effort to coordinate the Country of Origin listening Sessions that have taken place over the past few months but I especially appreciate the effort to gain more input free free residence and allied industry.

The Consumer demand for beef in the United States has increased 10% in the last 4 years. Beef remains the 11 protein show the same time Illinois has a cattle herd of 460,000 cows with nearly 70,000 coming from Speaker Hastert's and Representative Manzullo's districts. However an amazing 337,000 head of cattle are marketed annually from your districts out of the total Illinois beef production.

With all of this beef production, Illinois is also blessed with population of people actually making Illinois a Beef Deficient state. Nearly ¾ of the beef consumed in our state comes from outside of Illinois. The Illinois commodity groups of beef, pork, milk producers, and corn, soy, and the Illinois Farm Bureau have formed the Illinois Livestock Development Group. This group is engaged in developing the strategic plan with the goal of enhancing livestock production and giving Illinois the comparative advantage to attract a profitable livestock industry.

While the Country of Origin Labeling from our 2002 Farm Bill is a Retail Law, it will also have a large impact on the cow-calf and feedlot producers in your districts. It is argued that the current voluntary guidelines has no participation and is like "having no program at all", yet it does provide the opportunity for retailers looking for that same comparative advantage to develop niche markets with the US label and fully take advantage of the voluntary guidelines.

Many producers believe they may see an increase in the value of their beef production through the identification and verification process but question whether the benefits of the US label will exceed the cost of labor and record keeping in tracking our cattle from conception to consumption.

The verifiable audit trail that assures compliance contains components and record keeping that many of our producers participate in at some level. However these current record keeping and identification practices are performed due to their management choices. Maintaining ownership records, developing segregation plans, inventorying, and meeting labeling requirements from our cow-calf producer through eventual fabrication and distribution will be costly in both time and money.

The spirit of the Illinois cattleman is that of cooperation and yet the Septemer, 2004 mandatory labeling law may continue to add additional burdens to our deciral livestock industry. Illinois has a translated and with the biquidate of distillers guidant source of least cost rations for Our cattlemen we want to continue to enhance the profitability of our beef industry. I support the continuation of a voluntary country of origin labeling system.

Thank-you. for gow interest in providing a violete marketing system